

AUG 11 1987 - 10 42 AM

RELEASE

INTERSTATE COMMERCE COMMISSION

THIS RELEASE, dated July 30, 1987, is between HON FINANCIAL CORPORATION I (the "Mortgagor") and CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO (the "Mortgagee").

W I T N E S S E T H:

WHEREAS, pursuant that certain Term Loan Agreement dated as of August 8, 1979 (the "Agreement") among the Mortgagor, Hon Financial Corporation II and the Mortgagee, whereby, the Mortgagor granted to Mortgagee a security interest in the mortgaged property, as defined in a Chattel Mortgage (Railroad Equipment Security Agreement) dated as of August 8, 1979, and assigned all of its right title and interest in leases pursuant to an Assignment of Lease dated August 8, 1979.

WHEREAS, the Mortgagor has paid in full all indebtedness, liabilities and obligations to the Mortgagee under the Agreement;

WHEREAS, the Mortgagor has requested the Mortgagee to terminate its security interest in and to said Chattel Mortgage and Assignment of Leases, and the Mortgagee has agreed therewith.

NOW, THEREFORE, the parties hereto hereby agree as follows:

1. Receipt. The Mortgagee hereby acknowledges receipt from the Mortgagor of full payment of all indebtedness and interest accrued to the date hereof under the Agreement and under any document or instrument executed and delivered pursuant thereto or in connection therewith. The Mortgagee further acknowledges that no other indebtedness, liabilities or obligations are now due or owing by the Mortgagor to the Mortgagee under the Agreement or under any document or instrument executed and delivered pursuant thereto or in connection therewith.

2. Agreement Termination. The Mortgagor and the Mortgagee hereby acknowledge that the Agreement and the respective obligations of the parties thereto are hereby terminated effective as of the date hereof and shall no longer be of any force and effect.

3. Document Termination. The Mortgagee hereby releases all liens and security interests that it may have under the

Agreement, and the Agreement is hereby terminated effective as of the date hereof and shall no longer be of any force or effect. In furtherance of the foregoing, the Mortgagor may file this Release with the Interstate Commerce Commission to effect the release of the documents described below, which documents cover the items of equipment described in Schedule I hereto:

Documents

ICC Recordation Information

Railroad Equipment
(Chattel Mortgage
Security Agreement)

Recordation No. 10340-G
August 29, 1979
3:20 p.m.

Assignment of Lease

Recordation No. 10340-H
August 29, 1979
3:20 p.m.

The Mortgagee agrees that it will, upon the request of the Mortgagor, execute and deliver such further instruments or documents as may be reasonably necessary or desirable to accomplish the foregoing release.

4. Agreement. The Mortgagor hereby: (a) releases the Mortgagee, and its successors and assigns, from any and all claims which it or they may have, or which may hereafter arise in its or their favor, against the Mortgagee for any failure of the Mortgagee to have exercised reasonable care in the custody and preservation of any of the collateral under the Agreement; and (b) agrees to pay the fees and out-of-pocket expenses of counsel for the Mortgagee in connection with the preparation, execution and delivery of this Release.

IN WITNESS WHEREOF, this Release has been duly executed as of the day and year first above written.

CONTINENTAL ILLINOIS NATIONAL BANK
AND TRUST COMPANY OF CHICAGO

By: 

Its Vice President

ATTEST:



Its Banking Officer

HON FINANCIAL CORPORATION I

By William F. Hughes
Its Treasurer

ATTEST:

James J. Hendrix

Its Assistant Secretary

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

On this 30th day of JULY, 1987, before me personally appeared ZED S. FRANCIS III, to me personally known, who being by me duly sworn, says that he is a VICE PRESIDENT of CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO, that said instrument was signed on behalf of said national banking association by authority of its Board of Directors; and ZED S. FRANCIS III acknowledged that the execution of the foregoing instrument was the free act and deed of said national banking association.

Sylvia M. Brown
Notary Public

(SEAL)

My commission expires: October 12, 1987

IOWA
STATE OF ILLINOIS)
) SS
MUSCATINE
COUNTY OF COOK)

On this 3rd day of August, 1987, before me personally appeared William J. Snyder, to me personally known, who being by me duly sworn, says that he is Treasurer of HON FINANCIAL CORPORATION I, a Delaware corporation, that said instrument was signed on behalf of said corporation by authority of its Board of Directors; and William J. Snyder acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Karen Padgett
Notary Public



(SEAL)

SCHEDULE I

Description of Cars and Leases

<u>Type of Car</u>	<u>Quantity</u>	<u>Lessee</u>	<u>Lease Date*</u>	<u>Term (Years)</u>	<u>Car Numbers</u>	<u>Total Cost</u>
70-ton, 50'6" XM Boxcar	40	The Clarendon and Pittsford Railway Company	June 4, 1979	10	CLP 7009, 7016 7017, 7018 7022, 7023 7024, 7038 7039, 7041 7045, 7050 7053, 7054 7055, 7057 7061, 7066 7072, 7074 7092, 7093 7094, 7103 7107, 7108 7113, 7114 7118, 7128 7138, 7149 7153, 7168 7169, 7170 7171, 7183 7190, 7191	\$1,580,200
70-ton, 50'6" XM Boxcar	10	Vermont Railway, Inc.	June 4, 1979	10	VTR 13201, 13202 13217, 13224 13233, 13238 13243, 13244 13249, 13250	395,050

* Date of Master Lease is May 24, 1978. Term of lease for each Car runs from date Car is delivered to Rex (listed below).